



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

(A-821-821)

Grain-Oriented Electrical Steel from the Russian Federation: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) determines that grain-oriented electrical steel (GOES) from the Russian Federation (Russia) is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). In addition, we determine that critical circumstances exist with respect to imports of the subject merchandise from Russia. The period of investigation (POI) is July 1, 2012, through June 30, 2013. The final weighted-average dumping margins of sales at LTFV are listed below in the “Final Determination” section of this notice.

EFFECTIVE DATE: (Insert date of publication in the Federal Register.)

FOR FURTHER INFORMATION CONTACT: Elizabeth Eastwood at (202) 482-3874;

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SUPPLEMENTARY INFORMATION:

Background

On May 12, 2014, the Department published the preliminary determination of sales at LTFV of GOES from Russia.^{1,2} We invited interested party comments on the preliminary

¹ See Grain-Oriented Electrical Steel from Germany, Japan, Poland, and the Russian Federation: Preliminary Determinations of Sales at Less Than Fair Value, Certain Affirmative Preliminary Determinations of

determination in this investigation. On June 11, 2014, we received case briefs from OJSC Novolipetsk Steel/VIZ-Steel LLC (NLMK) and the Ministry of Economic Development of the Russian Federation. On June 16, 2014, we received a rebuttal brief from the domestic industry.³ On July 28, 2014, we held a public hearing at the request of NLMK.

Scope of the Investigation

The scope of the investigation covers GOES, which is a flat-rolled alloy steel product containing by weight specific levels of silicon, carbon, and aluminum. For a complete description of the scope of the investigation, see Appendix I to this notice.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties in this investigation are addressed in the Issues and Decision Memorandum. A list of the issues raised is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and it is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed and electronic versions of the Issues and Decision Memorandum are identical in content.

Critical Circumstances, and Postponement of Russian Final Determination, 79 FR 26941 (May 12, 2014) (Preliminary Determination).

² As part of the preliminary determination, we postponed the deadline for the final determination in this investigation to no later than 135 days after the date of publication of the preliminary determination. *Id.*

³ The domestic industry includes AK Steel Corporation, Allegheny Ludlum, LLC, and the United Steelworkers (*i.e.*, the parties filing the petition), as well as one additional domestic interested party, the International Union, United Automobile, Aerospace, and Agricultural Implemental Workers of America (UAW).

Changes Since the Preliminary Determination

Based on our analysis of the comments received, we made no changes to our preliminary determination.

Verification

The Department did not verify NLMK in this investigation because we determined that it failed to cooperate to the best of its ability in the preliminary determination.

Final Determination

We continue to determine that the following dumping margins exist for the POI:

Manufacturer/exporter	Dumping Margin (Percent)
OJSC Novolipetsk Steel/VIZ-Steel LLC	119.88
All Others	68.98

Final Affirmative Determination of Critical Circumstances

We made no changes to our critical circumstances analysis announced in the Preliminary Determination and described in “Decision Memorandum for the Preliminary Determination of the Antidumping Duty Investigation of Grain-Oriented Electrical Steel from Russia.”⁴ Thus, pursuant to 735(a)(3) of the Act, we continue to find that critical circumstances exist with respect to imports of GOES from Russia from NLMK and the companies covered by the “all others” rate. For further discussion, see the Issues and Decision Memorandum at Comment 4.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(4)(A) of the Act, the Department will instruct U.S. Customs and Border Protection (CBP) to continue to suspend liquidation of all appropriate

⁴ See Preliminary Determination, 79 FR 26941, and accompanying Preliminary Issues and Decision Memorandum.

entries of GOES from Russia, as described in Appendix I of this notice, for NLMK and the companies covered by the “all others” rate which were entered, or withdrawn from warehouse, for consumption on or after February 11, 2014, which is 90 days prior to the publication of the preliminary determination of the investigation in the Federal Register.

Further, the Department will instruct CBP to require a cash deposit equal to the amount by which normal value exceeds U.S. price as follows: (1) for NLMK, the cash deposit rate will be equal to the dumping margin which the Department determined in this final determination; (2) if the exporter is not a mandatory respondent identified in this investigation, but the producer is, the cash deposit rate will be the rate established for the producer of the subject merchandise; and (3) the cash deposit rates for all other producers or exporters will be 68.98 percent. The suspension of liquidation instructions will remain in effect until further notice.

International Trade Commission (ITC) Notification

In accordance with section 735(d) of the Act, we will notify the ITC of the final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of GOES from Russia no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, this investigation will be terminated and all cash deposits will be refunded. If the ITC determines that such injury does exist, the Department will issue an antidumping duty order for GOES from Russia directing CBP to assess, upon further instruction by the Department, antidumping duties on all imports of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This determination and this notice are issued and published pursuant to sections 735(d) and 777(i)(1) of the Act.

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

September 24, 2014
Date

Appendix I – Scope of the Investigation

The scope of this investigation covers grain-oriented silicon electrical steel (GOES). GOES is a flat-rolled alloy steel product containing by weight at least 0.6 percent but not more than 6 percent of silicon, not more than 0.08 percent of carbon, not more than 1.0 percent of aluminum, and no other element in an amount that would give the steel the characteristics of another alloy steel, in coils or in straight lengths. The GOES that is subject to this investigation is currently classifiable under subheadings 7225.11.0000, 7226.11.1000, 7226.11.9030, and 7226.11.9060 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive. Excluded are flat-rolled products not in coils that, prior to importation into the United States, have been cut to a shape and undergone all punching, coating, or other operations necessary for classification in Chapter 85 of the HTSUS as a transformer part (i.e., laminations).

Appendix II – List of Topics Discussed in the Issues and Decision Memorandum

1. Application of Adverse Facts Available to NLMK
2. Issues Regarding the Corroboration Analysis
3. Verification of NLMK's Reported Data
4. Critical Circumstances Analysis for NLMK
5. Proposed Suspension Agreement

[FR Doc. 2014-23389 Filed 09/30/2014 at 8:45 am; Publication Date: 10/01/2014]